

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
Norfolk Division**

R.M.S. TITANIC, INC.,  
successor-in-interest to  
Titanic Ventures, limited partnership,  
Plaintiff,

v.

Civil Action No. 2:93cv902

THE WRECKED AND ABANDONED VESSEL,  
ITS ENGINES, TACKLE, APPAREL,  
APPURTENANCES, CARGO, ETC., LOCATED  
WITHIN ONE (1) NAUTICAL MILE OF A POINT  
LOCATED AT 41 43/ 32' NORTH LATITUDE  
AND 49 56' 49" WEST LONGITUDE,  
BELIEVED TO BE THE R.M.S. TITANIC  
in rem,

Defendant.

**PERIODIC REPORT ON THE PROGRESS OF RESEARCH  
AND RECOVERY OPERATIONS**

NOW COMES Plaintiff, R.M.S. Titanic, Inc. ("RMST" or the "Company"), by counsel,  
and files this Periodic Report of R.M.S. Titanic, Inc. on the Progress of Research and Recovery  
Operations ("Periodic Report").

**I. Corporate Developments.**

On January 29, 2021 the Company reported that it furloughed Dave Gallo, P.H. Nargeolet, Bill Sauder and William Lange. Dr. Lange and Mr. Nargeolet have now returned to work for the Company. Dr. Lange has resumed work on the photomosaics and Mr. Nargeolet has resumed his role as Director of Underwater Research; both will advise the Company on the development of additional educational materials and exhibition content offerings. The Company has also renewed Alex Klingelhofer's agreement which now runs through August 31, 2022.

**II. Expeditions**

OceanGate Expeditions announced it conducted a “Survey Expedition” to Titanic this summer which commenced on June 28, 2021. *See*, Exhibit 1 attached hereto. P.H. Nargeolet participated as a representative of RMS Titanic, Inc. on the expedition. *Id.* OceanGate reports that the ship continues to experience rapid deterioration. *See*, Exhibit 2 attached hereto.<sup>1</sup>

### **III. Marketing/Merchandise**

The Company, through license to its affiliate Experiential Media Group ‘EMG’ LLC, is planning to expand its merchandise business to include Non-Fungible Tokens (“NFT”). An NFT is a digital token often depicting artistic works such as videos, drawing or even music. Like a trading card, each NFT is unique and thus “non-fungible.” While a party may tokenize the same work of art in multiple tokens, each NFT has separate value in the same way similar trading cards have different value based on factors applied in the marketplace such as the year it was produced, its condition, and its provenance. In this sense, an NFT is a unique, twenty-first century digital trading card or work of art, bought and sold using blockchain technology, primarily on the Ethereum blockchain.<sup>2</sup>

---

<sup>1</sup> A link to the web page which includes video taken during the expedition can be accessed at <https://www.geekwire.com/2021/new-videos-oceangate-sub-dives-titanic-reports-ship-wreckage-rapidly-deteriorating/>

<sup>2</sup> Blockchain is a system of recording information in a way that makes it difficult or impossible to change, hack, or cheat the system. A blockchain is essentially a digital ledger of transactions that is duplicated and distributed across the entire network of computer systems on the blockchain. Ethereum is the second-largest cryptocurrency network in terms of market capitalization, behind Bitcoin. Ethereum is a blockchain platform that allows anyone to deploy decentralized applications onto it, with which users can interact. Decentralized finance (DeFi) applications provide a broad array of financial services without the need for typical financial intermediaries like brokerages, exchanges, or banks, such as allowing cryptocurrency users to borrow against their holdings or lend them out for interest. Ethereum also allows for the creation and exchange of non-fungible tokens (NFTs). An NFT is a unit of data stored on a blockchain that certifies a digital asset to be unique and therefore not interchangeable. NFTs can be used to represent items such as photos, videos, audio, and other types of digital files. *See eg*, <https://corporatefinanceinstitute.com/resources/knowledge/other/ethereum/#:~:text=Ethereum%20is%20Bitcoin's%20strongest%20competitor,back%20down%20to%20second%20place;> <https://corporatefinanceinstitute.com/resources/knowledge/other/ethereum/#:~:text=Ethereum%20is%20Bitcoin's%20strongest%20competitor,back%20down%20to%20second%20place;>

Although unique both in their digital format and the marketplace in which they are traded, the Company's NFT's will share the same legal characteristics as the other tangible merchandise it sells, with the exception of the coal.<sup>3</sup> For example, the Company sells replicas of its photographs, artifacts, and maps in each exhibition and online. Of course, when purchasing a replica White Star Lines plate or mug, the customer merely takes ownership of the piece of merchandise, not the artifact that it depicts. Similarly, when a customer purchases an NFT, it takes ownership only of the digital token itself, and has no legal interest in the tangible object from which the token was derived.

The Company hopes to utilize this new platform to expand its reach and bring Titanic content, education, and programming to the world. The Company intends to launch its NFT merchandise program with select video clips and images, both of which are well suited for the digital format, coupled with historical information compiled over 30 years.

#### **IV. Reserve Account.**

As of September 15, 2021, the balance in the reserve account was \$1,021,264.73. The Company made its most recent quarterly deposit on August 20, 2021. The next deposit will be made in November 2021.

#### **IV. Titanic Exhibitions.**

Experiential Media Group 'EMG' LLC continues to operate the permanent Titanic exhibitions in Las Vegas, Nevada and Orlando, Florida, and recently opened "Titanic: the Wisconsin Connection" in Oshkosh, WI. This exhibition, developed in collaboration with the Oshkosh Public Museum, focuses on the over 50 passengers on the Titanic who were traveling

---

<sup>3</sup> The coal sold by the company is distinct from the other merchandise in that it is not merely a replica, but consists of actual artifacts from the wreck site. The sale of coal from the wreck site is permitted by this Court.

either to or from Wisconsin. The Company has also successfully presented a temporary exhibition in Boise, Idaho between February and August 2021.

Respectfully submitted,

**RMS TITANIC, INC.**

By Counsel:

/s/ Brian A. Wainger

Brian A. Wainger, VSB #38476

KALEO LEGAL

4456 Corporation Lane, Suite 135

Virginia Beach, VA 23462

Tel: (757) 965-6804

Fax: (757) 304-6175

E-Mail: [bwainger@kaleolegal.com](mailto:bwainger@kaleolegal.com)

*Counsel for R.M.S. Titanic, Inc.*

**CERTIFICATE OF SERVICE**

I hereby certify that on September 17, 2021, a copy of the foregoing has been electronically filed with the Clerk of the Court using the CM/ECF system, which will send electronic notification of such filing to all counsel of record.

/s/ Brian A. Wainger

Brian A. Wainger, VSB #38476

KALEO LEGAL

4456 Corporation Lane, Suite 135

Virginia Beach, VA 23462

Tel: (757) 965-6804

Fax: (757) 304-6175

E-Mail: [bwainger@kaleolegal.com](mailto:bwainger@kaleolegal.com)

*Counsel for R.M.S. Titanic, Inc.*

